

TESTIMONY OF THE OFFICE OF THE ATTORNEY GENERAL
PUBLIC OVERSIGHT HEARING



**Testimony of Robert J. Spagnoletti
Attorney General for the District of Columbia**

**Anthony A. Williams
Mayor**

Before the
Committee on Government Operations
Councilmember Vincent B. Orange, Sr., Chair

Thursday, February 3, 2005
10:00 A.M. Council Chamber
Washington, D.C.

Good morning Chairman Orange, members of the Council, and guests. I am Robert J. Spagnoletti, Attorney General for the District of Columbia. I am pleased to have the opportunity to report to you on the Office of the Attorney General's utilization of Local, Small, and Disadvantaged Business Enterprises in its outside contracting needs.

The Office of the Attorney General (OAG) is proud to announce that it was in compliance with the Local, Small, and Disadvantaged Business Enterprises Act for Fiscal Year 2004 – bringing the agency into compliance for a second fiscal year in a row. This determination was confirmed in reports OAG generated with the District's financial management system, SOAR, to list all LSDBE purchases in Fiscal year 2004 and 2003. We also submit quarterly reports to the Office of Local Business Development, and that agency has confirmed our purchases and our compliance with LSDBE goals.

As you know, the formula for establishing compliance is a part of the Equal Opportunity for Local, Small and Disadvantaged Business Enterprises Act of 1998. Our Agency Fiscal Officer and other financial staff track relevant data and generate reports to monitor compliance. Overall, LSDBE compliance tracking with OAG is the shared responsibility of

OAG's Deputy of the Support Services Division and the Office of the Chief Financial Officer. OAG's expendable funds eligible for award to LSDBEs in FY 2004 was originally \$190,045.00; however, funds were reprogrammed, resulting in an increase in the expendable funds eligible for award to LSDBE's to \$340,045.00. OAG spent \$213,071.90, which is 63% of that total, with certified LSDBE's. This amount was 125% of the revised agency goal of \$170,023.00. All of the LSDBE vendors used by OAG in FY 2004 are located in the District of Columbia. OAG does not collect information about the residence of vendor employees. The Office of Local Business Development may be able to provide that information. However, I can provide a breakdown of Small, Local and Disadvantaged Businesses which were awarded contracts in FY 2004, and it is as follows:

**OFFICE OF LOCAL BUSINESS DEVELOPMENT
BUSINESS CLASSIFICATION REPORT**

Vendor	CLASSIFICATION				
	Local Business Enterprise (LBE)	Small Business Enterprise (SB)	Disadvantaged Business (DB)	Development Zone Enterprise (DZE)	Resident Business Owner (RBO)
VENDOR (1)	√	√	χ	χ	√
VENDOR (2)	√	√	χ	χ	χ
VENDOR (3)	√	√	χ	χ	√
VENDOR (4)	√	√	χ	χ	√
VENDOR (5)	√	√	χ	√	√
VENDOR (6)	√	√	√	χ	χ
VENDOR (7)	√	√	χ	χ	χ
VENDOR (8)	√	√	χ	χ	√

Legend

√

Yes

χ

No

As the head of the agency, I am pleased to announce that the OAG's performance in this area far exceeded performance requirements upon which I am evaluated as Attorney General. I am committed to the continued awarding of OAG contracts to LSDBE's -- it is a welcomed opportunity for the agency to reinvest in the District and its communities.

I thank you again for this opportunity to brief you on OAG's LSDBE contracting, and am pleased to answer any questions you may have.

Key Points: OAG's utilization of Local, Small and Disadvantage Business Enterprises.

- Full compliance in FY' 2004 for a second year in a row;
- OAG funds for LSDBE expenditure in FY '04 = \$190,045;
- OAG reports an increase in funds for LSDBE's in FY '04 = \$340,045;
- Spent: \$213,071.90 = 63% of total expendable funds with certified LSDBE's;
- Exceeded revised agency goal of \$170,023 by 125%
- All OAG LSDBE vendors in FY '04 are in D.C.;
- Compliance confirmed in reports generated with the District's financial management system – SOAR, and by the Office of Local Business Development;
- LSDBE compliance tracking done by OAG's Deputy of Support Services and the Office of the Chief Financial Officer.